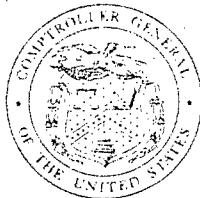


GGM

## DECISION



THE COMPTROLLER GENERAL  
OF THE UNITED STATES  
WASHINGTON, D.C. 20548

10,351

FILE: B-194443

DATE: June 4, 1979

MATTER OF: Professional Carpet Service

*[Claim for Payment of Unauthorized Services on Basis of Quantum Meruit]*

## DIGEST:

Payment for unauthorized services on basis of quantum meruit may not be allowed where Government receives no benefit from those services. }

DUG 91706

Professional Carpet Service (Professional) requests review of our Claims Division's settlement of November 16, 1978, in which the Division disallowed Professional's claim for \$2,833.50 [Claims Division file No. Z-2363901(42)]. The claim is for storage and handling charges for Government-owned carpet. Professional requests review of that settlement.

AGC 00213

Professional was the authorized carpet installation service for the Federal Railroad Administration (FRA) from June 1975 to May 1977. At the beginning of that period, Professional picked up the Government-owned carpet from Government storage. As purchase orders were received, the carpet was cut and installed by Professional.

Sometime after termination of the installation service, Professional informed FRA that Professional retained 43 rolls of FRA's carpet; FRA requested the return of the unused carpet.

When the carpet was returned, Professional submitted its bill to FRA for \$2,833.50 for storage and handling charges for the period December 1, 1975, to September 7, 1977. Professional states that this was its cost for storage of the carpet at Security Storage, and that the Government should reimburse it for this service.

FRA sent the claim to our Claims Division as a doubtful claim. It was disallowed because Professional did not have a contract with FRA to store the carpet, that the only ground for payment of storage costs would be on a quantum meruit basis for the reasonable value of the services furnished the Government without prior authorization, but that Professional did not show that the Government

005474

received a benefit nor that there was an explicit or implicit ratification by authorized Government contracting officials. See Moore's Auto Body & Paint, Inc., B-189304, August 2, 1977, 77-2 CPD 72.

With its request for review Professional submitted a copy of a purchase order for carpet installation which included a charge for transportation of the carpet from Security Storage to FRA. It also submitted a letter signed by a former employee, apparently the person shown on the purchase order as the "CONTRACTING/ORDERING OFFICIAL." The letter reads in part: "This is to certify that while I was employed at the Federal Railroad Administration (FRA) that carpet was stored for us at Security Storage by your company. This storage was paid for as a separate line item on purchase orders issued during the installation period." Professional contends that this evidence shows that the officials at FRA must have known that Professional was storing the carpet, and that there was "explicit or implicit ratification of the services by authorized government officials."

Government regulations provide that an agency must make every effort to secure Government-owned storage facilities before contracting for private storage. 41 C.F.R. 101-28.201 (1978). In this case, the rolls of carpet were removed from storage in a Government warehouse and placed in private storage facilities at Security Storage apparently for the convenience of Professional. There is no express contract for the storage and Professional has not shown that the Government received a benefit from this private storage.

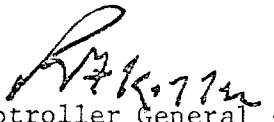
Assuming for argument that the Government received a benefit from the private storage, Professional has not shown that the benefit was expressly or implicitly ratified by authorized Government contracting officials.

The purchase order which shows that the Government paid transportation charges for carpet installation shows only that the Government paid the cost of transporting the carpet from wherever it was stored to the installation site. It does not show that the FRA was aware that storage charges were being assessed by a private storage company.

The purchase order does not contain a line item for storage charges; this contradicts the statement of the former employee that ". . . the storage was paid for as a separate line item on [the] purchase order . . ." And if Professional wanted to recover storage charges, it should have included them in its price.

The record indicates that the carpet installation agreement with Professional did not authorize storage of the Government-owned carpet. And contrary to the statement of the former employee, that storage charges were paid during the term of the contract, the record shows that Professional did not present a claim for storage until it was terminated as a Government carpet installation contractor.

The settlement of our Claims Division is sustained.

  
Deputy Comptroller General  
of the United States